

Honorable James Ware
U.S. Federal Court
Northern District of California

Dear Honorable Judge Ware,

My name is Carlos I. Caguimbal. As you know I have been indicted by the federal government for "fraudulent issuance of postal money order." Let me explain what led up to my doing such a heinous act.

I was born in Fort Ord California on November 20, 1964. I was the last born of 10 children. My dad was working three jobs and my mother was working in a green onion packing plant. In fact the whole family was working in the packing plant. My parents could not afford a baby sitter, so I stayed with them wrapped in a blanket with a wooden crate as my crib. Needless to say we were quite poor. My childhood was spent playing around the fields and occasionally helping my parents sell vegetables we harvested from a friends back yard.

When I was 10, I was able to begin earning money by bunching onions like my parents. During the summer, I would work from 2 am to 5 pm six days a week. When school was in session, I would work after school from 4 pm until 10 pm. Even though I was working so much, I found time to do my school work and get A's and B's in school.

I was never able to save my money because my parents needed the money to offset the loss of income from my siblings who got married and left the house. When I was 13, I was able to have my own pay check, so I was able to buy things on my own. I would still have to give half my pay check to my parents because they needed it for bills. I worked in the packing plant until I was 16 and old enough to get a real job. I started working for JC Penney as a dish washer in their coffee shop. I also started working with my brother at Wendy's.

In junior high, my friend got me interested in playing a musical instrument. We played the French Horn in the school's symphonic band. This carried on into high school where we joined the marching symphonic band. Our school band would play at football games and band competitions around the state. Being in the band somehow got me focused on my school work in which I was able to graduate from high school in the honor roll and a 3.30 grade point average.

I was encouraged by other friends that were in a Filipino Youth Club to join their organization. I became involved with their folk dance troupe and eventually became Vice President of the Fil/Am Youth Club. I was instrumental in setting up various fund raisers to include bbq's, dances, car washes, etc. In 1982 our folk dance troupe participated in a major production at the Salinas Sherwood Hall called "Karilagan", which show cased many of the various folk dances found in the Philippines.

I met my wife of 23 years, Nerissa in my junior year in high school. I could truly say it was love at first site. Then and now she is the most beautiful woman I met. At first she was not interested in me but after being persistent for over a year she finally gave in. We started going steady in April of 1983.

-2-

She really got me interested in my future. At first I didn't know what I wanted to do after high school. She told me that because of my good nature I would do well in the medical field. I decided to pursue the possibility of becoming a physician assistant. I enrolled at Hartnell College in the Fall Semester of 1983. I also joined the Salinas Adult School Certified Nursing Assistant course, in order to get experience in patient care.

In February of 1984, I found out that Nerissa was pregnant. I knew I could not support her and a child while going to college, so I enlisted in the U.S. Air Force. In March I was on my way to boot camp at Lackland A.F.B. Texas. I was able to take leave in August of 1984 so we could get married. I was really surprised that her parents allowed us to get married. They did not know that we were expecting a child. My in-laws both expressed that they approved of me and wanted their daughter to marry me.

I was then assigned to the 410th Security Police Squadron at K.I. Sawyer A.F.B., Michigan. While waiting for Nerissa and our first child Kevin, to join me, I got involved with the American Red Cross. I first became a CPR/First Aid instructor and eventually the Safety Coordinator for the KI Sawyer A.F.B. branch of the American Red Cross.

While stationed at KI Sawyer A.F.B. I had to undergo an emergency appendectomy. This was the beginning of numerous hospital visits and eventually my release from the U.S. Air Force for medical disability. During my eight plus years in the military, I was able to receive a number of awards and ribbons, including an early promotion to E-5 staff sergeant.

After being medically discharged from the U.S. Air Force in 1992, I was able to get a job as a security guard for Monterey Peninsula Mobile Security and American Protective Services. In 1993, I got a job as a federal policeman at the Naval Postgraduate School in Monterey, California. In February of 1994 I decided to take a job at the Salinas Post Office, as a mail processor.

When my family and I first got out of the military, we lived with my wife's parents at 1796 Cascade Court in Salinas, CA. It was difficult because the four of us had to share a single bed in an upstairs room. There were also six other family members and my in-laws living in this two story five bedroom house. Although it was cramped and noisy in this house, we enjoyed our stay here. We stayed in this house for almost two years while my wife went to school and I worked at various security jobs and the Naval Postgraduate school.

In 1995, after having steady jobs with the US Postal Service, and my wife with the Salinas Police Department, we were able to move from her parents house to a rental house at Atherton Way. Although we did not own the house, we were getting closer to our dream of having our own house. Here we could live like a family like we did when I was in the Airforce. We lived in the rental house until our lease ran out a year later.

-3-

In 1996, we saw an ad for veterans to buy a house for little or no down payment. All we had to do was qualify for a Veterans Administration Loan. When we got our loan, we were ecstatic, because our dream of owning our own home was coming true. My wife had so many plans on how to decorate the house and make it ours. This was the happiest time of our life because we had our own home, good jobs, good health and a loving family.

Soon after the illness that plagued me in the military started coming back. I started to miss work because of my illnesses. I was soon diagnosed with sleep apnea and chronic pulmonary obstructive disease or COPD. We started falling behind in our house payments and in 2000 we lost our house at 203 Christensen Ave to foreclosure. My wife was so devastated by this that she vowed to me that if we ever lose another house to foreclosure, she would leave me with the kids.

Tragically at the time we were going through foreclosure, my wife's sister Frances, was left a widow due to an industrial accident to her husband. She begged us to move in with her since she had no way to pay her mortgage payments without her husband and she wanted to be with family.

In January of 2000 we moved in with Frances at 1615 Chico Way. Although this was a four bedroom home, it was very small and cramped. The house was in disrepair and needed a lot of work to make it a nice and livable house. My wife would often cry at night thinking about our dream home we lost to foreclosure.

In 2004 we found out that Frances was not paying the mortgage payments that we were giving her. Her house was going to be foreclosed unless we were able to do something about it. We were able to salvage the situation by assuming her loan in our names. We were able to secure a loan that would give us extra money in order to remodel and upgrade the house. We hired a contractor and started to beautify the house by opening up a wall in the kitchen to make it bigger and roomy. We changed all the appliances to brand new high-end appliances. All the cabinets were replaced with new ones. Soon our first loan was depleted and we still had a lot of remodeling to do to make it a dream home.

In April of 2005, we then refinanced the house to get more equity in order to finish the remodeling of the house. Our mortgage payment at this time was \$3185 a month. In Sept. of 2005 we still needed to repair the roof. I saw a mail flier for a low rate refinance loan from 123 Home Loans. I contacted this company and they assured me that they can get me the additional funds I needed with no change in my current monthly payment. My wife was skeptical about this but I reassured her that we could afford it and that we should take advantage of the offer. I was shocked to find that this new loan was not a refinance but a home equity line of credit which increased our mortgage payments \$1125 extra a month to a total of \$4310 a month. I started to panic because I had promised my wife that we could afford this refinance.

-4-

In order to keep up the charade that all was fine financially for our family, I devised a plan to take money from the US Postal Service by making false refund statements and cashing money orders not in my name. I was so ashamed of what I was doing but kept thinking that it was for the good of the family. I would always remember that my wife would leave me taking my kids with her. My family is my life and I could not live to be without them. The months I was taking from the post office, my health would deteriorate. I was so distraught at what I was doing that I started to get frequent panic attacks and bronchial-asthma. How could I do this while being so good at church and with my family. I was always trying to help others but couldn't help myself. I was so relieved when my supervisor confronted me about the missing funds because I could finally stop what I was doing and the charade would be over. I was also overwhelmed with the fact that my wife may not forgive me and would be true to her promise to leave me with the kids. I contemplated suicide to end all this and not face up to what I did. But eventually my wife forgave me and is by my side till this day.

There is not one day that goes by that I think about what I did and what my family has gone through. I lost my pension and my dream of retiring at age 55. My son had to drop out of college to get a full time job in order to help the family finances. My daughter suffered mental strain and dropped out of the University of San Francisco to move back home. She has since been diagnosed with bipolar disorder. My wife lost her trust in me and for now her dream of growing old in our own house. I continue to suffer bouts of anxiety attacks and depression of which I am taking medication for. I wish I could erase what I had done and will pay back every cent I have taken. I've lost my pride in myself, my self esteem, the dignity I had with my co-workers and my family. All those who have known me are shocked at what I have done and though they tell me it is not my character to do this, I will forever be ashamed to face them.

At times I cry myself to sleep thinking of how things would have been if I did not do what I did and to think of the shame I've caused my family. But as my wife would say, "someday you'll make it up to us". You can see that without my family I am nothing and with them I'm the richest man on the planet.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'RQ' followed by a stylized flourish.